

## The Times

### **Rothschild: 'worst year since Suez'**

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By Ben Martin

Investors last year faced the "most difficult and treacherous" conditions since the financial crisis, Lord Rothschild has said, while warning that Britain is facing its worst political predicament since Suez.

The chairman of RIT Capital Partners, a £3.2 billion investment trust, said that investors should brace themselves for more market turbulence this year amid weakening global economic growth and geopolitical risks.

He highlighted waning growth in China, the contraction in German manufacturing and the recent drop in American retail sales as reasons for investors to be cautious.

RIT was created in the 1970s to manage the wealth of the Rothschild family. It was floated on the London Stock Exchange in 1988 and is now one of Britain's biggest investment trusts.

While Lord Rothschild, 82, did not specifically refer to Brexit yesterday, he alluded to the UK's looming exit from the European Union when assessing the outlook for Britain, which he compared with the 1956 foreign policy crisis that led to the resignation of Anthony Eden, the prime minister.

"We are surely witnessing the worst political situation in the United Kingdom since the Suez crisis, while social unrest and populism in a number of European countries cloud the future," he said, as RIT published its annual results for last year, which he called "the most difficult and treacherous year for investors since 2008".

RIT delivered a net asset value per share total return, which includes dividends, of 0.8 per cent for 2018, which it said marked "a meaningful outperformance" of stock markets. "We were able to deliver this return in part by having reduced quoted equity exposure in advance of a fourth quarter which saw global equity indices fall by 13 per cent," Lord Rothschild said.